



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX**

75 Hawthorne Street
San Francisco, CA 94105

February 26, 1996

F-AFS-K99025-CA 9/60014

EL-2

Michael J. Rogers
Forest Supervisor
Angeles National Forest
c/o Aspen Environmental Group
ATTN: Martha Sullivan/Richard Borden
30423 Canwood Street, Suite 218
Agoura Hills, CA. 91301

Dear Mr. Rogers:

The Environmental Protection Agency (EPA) has reviewed the Final Environmental Impact Statement (FEIS) for the project entitled Pacific Pipeline Project - Emidio Lateral, Kern, Ventura & Los Angeles Counties, California. Our review is pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality (CEQ) regulations (40 CFR Parts 1500-1508), and Section 309 of the Clean Air Act.

The Pacific Pipeline System Inc. (PPSI) proposes to build a 132-mile crude oil pipeline from Emidio in Kern County to Los Angeles area refineries via Castaic Junction. This pipeline would be used to transport oil produced in the San Joaquin Valley and offshore Santa Barbara County. The pipeline route traverses approximately 20 miles of the Angeles National Forest. Right-of-way authorization and special use permits will be required from the US Forest Service.

The buried pipeline would generally follow Interstate Highway 5 from Emidio to Castaic Junction and be within the existing Southern Pacific Transportation Company railroad right-of-way (ROW) from Castaic Junction to the Los Angeles refineries. Work would be scheduled during the dry season and construction windows provided for special status wildlife breeding seasons. Proposed stream crossing methods include boring, trenching, suspension/bridge, and burial in existing fill. All major road crossings would be accomplished by boring. Safety features include a cathodic protection system; corrosion protection test stations; continuous flow rate metering and volume-balance monitoring; 30 block valves which prevent flow of oil in either direction and 14 check valves to prevent reverse flow of oil. Direct construction disturbance would occur within a 50-foot wide corridor. Alternatives examined in detail are No Project, the Mojave alternative alignment, and the Cajon Pipeline.

We are pleased with the efforts of the US Forest Service (USFS), California Public Utility Commission (CPUC), and

applicant to address the significant issues raised during public review of the Draft EIS. Of special note is the commitment to additional and improved mitigation measures to minimize adverse impacts to water supply sources, groundwater, and aquatic resources in the event of an oil spill. Many of our concerns regarding potential impacts to sensitive resources have been adequately addressed. We also commend the project for its shorter overall length (versus other competing pipelines), state-of-the-art design and technology, and numerous concrete mitigation measures.

While we recognize Pacific Pipeline's significant level of system safety, we continue to believe that other alternatives, such as the Cajon Pipeline, are still viable options which may place fewer aquatic resources and minority/low-income communities at risk. In addition, we believe it is appropriate for the responsible regulatory agencies (e.g., CPUC or California State Fire Marshal) to request competing pipeline projects to provide the same level of design, technology and effective mitigation measures as offered by the Pacific Pipeline proponents.

We commend the USFS, CPUC, and the applicant's continued efforts to evaluate environmental justice (EJ) issues and the commitment to mitigation and monitoring measures which will reduce adverse impacts on minority/low-income communities. However, we do not believe the FEIS provides sufficient information to completely address our environmental justice information requests. Generally, while acknowledging that defining a minority population or a low-income population poses theoretical and statistical difficulties, we remain concerned with the potential biases of the statistical methodology and assumptions used in the FEIS. Significant questions regarding this methodology and its assumptions still need to be addressed. Thus, at this time, we would not recommend this methodology as the model for conducting other environmental justice analyses. Our detailed comments are attached. We recommend the Record of Decision (ROD) provide additional discussion and consideration of the EJ statistical methodology and underlying assumptions. In addition, we strongly recommend that the USFS, CPUC, and applicant work very closely with local communities to refine and develop the proposed EJ mitigation measures.

We appreciate the opportunity to review this FEIS. Please send a copy of the ROD to our office when it is complete. If you have any questions, please call me at (415) 744-1584, or Laura Fujii, of my staff, at (415) 744-1579.

Sincerely,



David J. Farrel, Chief
Office of Federal Activities

Enclosures: (3 pages)

96-017

MI001909

filename: Pacificf.eis

cc: Diane Noda, Ventura Office, COE
Ray Bransfield, Ventura Office, USFWS
Steve Johnson, BLM
Martha Sullivan, CPUC
James Johnson, CCC
Ruben A. McDavid, Mothers of East LA
Candace Inagi, CA League of Conservation Voters
Carlos Porras, Citizens for a Better Environment
South Coast AQMD
Ventura APCD

COMMENTS

Environmental Justice

The evaluation of environmental justice issues is a new emerging field. Thus, the present evaluation for the Pacific Pipeline project has the potential to become the standard or model for environmental justice analyses, at least within the Los Angeles area. Therefore, we continue to believe it is critical that the Pacific Pipeline environmental justice evaluation be based on sound science and a comprehensive discussion of all significant underlying issues, assumptions, and definitions.

1. We remain concerned that the methodology used appears biased in two ways.

a. First, as discussed in more detail below, the methodology undercounts minority populations in counties such as Los Angeles which tend to have more minorities. At the same time, it tends to over-represent low-income populations in wealthier counties which have fewer low-income residents. As a result, the extent of the disproportionate impact on minority populations and low-income populations in counties such as Los Angeles is not adequately considered.

b. Second, the methodology does not adequately compare the disproportionate impact on minority populations and low-income populations between counties with different demographics or in respect to each of the three pipeline alternatives.

The understatement of the extent of the potential impact to minority/low-income communities hinders the assessment of whether the proposed EJ mitigation measures are adequate.

Minority Population Sectors: Undercounting minority populations in counties with more minorities.

The FEIS classifies each census tract as high-, medium- and low-level minority, but does not explain the rationale for choosing to classify the tracts in this manner. Alternative approaches may include classifying tracts with populations equal to or near the county's overall minority percentage as high-minority, or classifying tracts with populations in the upper third of the overall minority percentage for all counties studied.

The methodology's tendency to undercount minorities in counties with higher minority populations is most evident in Los Angeles County. The overall minority percentage in Los Angeles County is 57.56%. Yet, sectoring the minority population into

thirds, the FEIS treats only those tracts with populations over 76.82% as high-level minority. The FEIS then uses this segment to conclude that 61.5% of the Los Angeles census tracts affected by the project are high-level minority and, therefore, disproportionately impacted (p. C.16-11). This definition of high-level minority is also used as a basis of comparison against other "high-level" minority populations in counties with a much lower overall percentage of minorities, thereby creating the illusion that "high-level" minority has the same meaning from county to county. As a result, with respect to Los Angeles County, the methodology inadequately considers the impact of the project on minority populations which constitute a higher percentage of the Los Angeles County's population than in neighboring counties. Thus, instead of measuring the demographic differences between the counties, the methodology appears to incorporate such differences and thereby biases the results to minimize the impacts on minority populations in Los Angeles County.

Low Income Population Sectors: Overrepresenting Low-Income Populations.

The FEIS methodology appears to over-represent low-income populations in wealthier counties which have fewer low-income residents. The rationale for choosing to classify the tracts in this manner is not adequately explained. An alternative approach might include selecting an accepted poverty baseline and making appropriate adjustments to account for cost of living factors. The overall per capita annual income (i.e. the average income) in Orange County is \$19,890 and the lowest income tracts in Orange County show a per capita income of \$15,722. The FEIS does not furnish data which supports the conclusion that an annual per capita income of \$15,722 is low-income. This methodology might be appropriate if determining the presence of a disproportionate impact for a project within one a county. The approach is much less appropriate when making such a determination that affects several counties with differing demographics.

2. The Responses to Comments provided in the FEIS does not provide sufficient information to completely address our environmental justice information requests.

a. EPA requested additional information regarding the standards, methods, science and assumptions used to categorize the census tracts. The response stated that the methodology classified the census tracts based on the relative composition of minority populations and income level, dividing each into thirds. The commenter is referred to Section C.16 of the FEIS. The response did not discuss the statistical methodology and the basis for selecting that method. As indicated above,

considerable questions remain regarding whether a methodology which compares the impact on communities adequately measures the impact on minority communities.

b. EPA also requested information regarding the issues and assumptions used in the EJ analysis. While the FEIS correctly states that the objective is to measure whether there is a disproportional, or potentially disproportional, impact; the FEIS fails to discuss how environmental justice principals were used to select a methodology which adequately measures the impact of the proposed project on minority communities.

c. Other information requested by EPA was a description of the risk and risk assessment techniques used for determining risks to urban areas and sensitive populations. The FEIS refers the commenter to Section C.13 regarding System Safety and Section C.2 regarding Air Quality. In the mitigation section, Section C.13 proposed that the project develop procedures for determining risk to sensitive land uses such as schools, hospitals and residences, but does not discuss the risks posed to sensitive populations. Sections C.13 and C.2 analyze the likely occurrence of different scenarios, but does not assess any special risks to sensitive populations that would result from exposure under the various scenarios.

EPA REGION IX SUMMARY PARAGRAPH

ERP NUMBER: F-AFS-K99025-CA

CEQ NUMBER: 960014

DATE OF EPA COMMENT LETTER: 02/26/96

DATE SENT TO EPA HQ: 02/27/96

NAME OF PRINCIPAL REVIEWER: FUJII

NAME OF PROJECT EIS:

Pacific Pipeline Transportation Project

SUMMARY PARAGRAPH:

~~EPA commended the US Forest Service (USFS), California Public Utility Commission (CPUC), and applicant's commitment to additional and improved mitigation measures to minimize adverse impacts to water supply sources, groundwater, and aquatic resources in the event of an oil spill. EPA also commend the project for its shorter overall length (versus other competing pipelines), state-of-the-art design and technology, and numerous concrete mitigation measures. However, although EPA acknowledges Pacific Pipeline's significant level of system safety, EPA stated that other alternatives, such as the Cajon Pipeline, may still place fewer aquatic resources and minority/low-income communities at risk. In addition, EPA stated that we remain concerned regarding the potential biases of the statistical methodology and assumptions used in the FEIS to evaluate disproportionate impacts to minority/lower-income communities. Thus, at this time, EPA would not recommend this methodology as the model for conducting other environmental justice analyses. EPA also strongly recommended that the USFS, CPUC, and applicant work very closely with local communities to refine and develop the proposed EJ mitigation measures.~~

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APPROVED FOR FEDERAL REGISTER PUBLICATION BY: _____

